

## CITY COMMISSION MINUTES

February 3, 2009

7:00 p.m.

The regular meeting of the Junction City City Commission was held on Tuesday, February 3, 2009 with Mayor Mick Wunder presiding.

The following members of the Commission were present: Terry Heldstab, Mike Rhodes, Ken Talley, Jack Taylor and Mick Wunder. Staff present was: City Manager, Rod Barnes, Assistant City Manager Mike Guinn, City Clerk Tricia Gowen, City Engineer Christina Cook, and City Attorney Catherine Logan.

### PLEDGE OF ALLEGIANCE

### CONSENT AGENDA

Commissioner Rhodes moved, seconded by Commissioner Heldstab to approve the Consent Agenda. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried. The Consent Agenda consisted of the following:

- a. Approval of the **January 20, 2009**, City Commission meeting minutes.
- b. Approval of the **January 13, 2009**, Special City Commission meeting minutes.
- c. The consideration of **Appropriation Ordinance** dated January 16, 2009, through January 28, 2009, in the amount of \$3,217,384.85.
- d. The consideration and approval of **R-2542** for the purchase of 338 16<sup>th</sup> Street Circle by Cynthia Sinklier, from the City of Junction City, to build a Self-Help Housing home, in the amount of \$18,200.00.
- e. The consideration and approval of **R-2543** for the purchase of 1521 N. Monroe Street by Latoya Blakes, from the City of Junction City, to build a Self-Help Housing home, in the amount of \$18,200.00.
- f. The consideration and approval of **R-2544** for the purchase of 1509 N. Monroe Street by Michel Singletary, from the City of Junction City, to build a Self-Help Housing home, in the amount of \$18,200.00.
- g. The consideration and approval of **R-2545** for the purchase of 1503 N. Monroe Street by Caleb Flores, from the City of Junction City, to build a Self-Help Housing home, in the amount of \$18,200.00.
- h. The consideration and approval of **Pay Request #4** by Larkin Excavating, Inc., for construction services through January 26, 2009, for the Spring Valley Road – McFarland Road to Wildcat Lane, in the amount of \$45,726.07. (Project is 67.3% complete.)
- i. The consideration and approval for **Request of Bid Date** of February 20, 2009, by Kaw Valley Engineering, for the New Horizon's RV Tree Removal Project.

- j. The consideration and approval to **Submit an Application** for Federal Assistance to the FAA for Freeman Field - Runway 18/36 Asphalt Overlay. Application is for a total not to exceed \$556,034.00. If approved for Federal Assistance, FAA would fund 95% (\$528,232.30) and the City would pay 5% (\$27,801.70).
- k. The consideration and approval of **Pay Request #19** by HNTB for US-77 and K-18 corridor study, in the amount of \$1,692.62. (60% to be reimbursed by KDOT; 20% by Geary County; and 20% by City of Junction City, which is \$338.53.)
- l. The consideration and approval of **Payroll #1, Payroll #2 and Payroll #3** in the amounts of \$221,309.99 (payroll #1, January 2, 2009), \$224,842.50 (payroll #2, January 16, 2009) and \$239,861.43 (payroll #3, January 30, 2009)

## APPOINTMENTS

- a. The consideration and approval of the following persons to the **Board of Building Contractors** for the term of January 1, 2009, through December 31, 2009:

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|---------------------|-------------------------|
| 1. Richard Rothfuss | R&R Developers          |
| 2. Terry Kidd       | Terry Kidd Construction |
| 3. Stanley Pearson  | Pearson Construction    |
| 4. Leon Osbourn     | Kaw Valley Engineering  |
| 5. Brett Deam       | Deam & Deam, LLC        |

Commissioner Heldstab moved, seconded by Commissioner Taylor to approve Richard Rothfuss, Terry Kidd, Stanley Pearson, Leon Osbourn, and Brett Deam to the Board of Building Contracts for the term of January 1, 2009 through December 31, 2009. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

- b. The consideration and approval of the following persons to the **Board of Plumbing/Mechanical Contractors** for the term of January 1, 2009, through December 31, 2009:

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|------------------|------------------|
| 1. Bob Small     | Small's Plumbing |
| 2. Glenn Schmutz | Glenn's Plumbing |
| 3. Joe Marshall  | M & L Services   |

Commissioner Rhodes moved, seconded by Commissioner Taylor to approve Bob Small, Glenn Schmutz, and Joe Marshall to the Board of Plumbing/Mechanical Contracts for the term of January 1, 2009 through December 31, 2009. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

- c. The consideration and approval of the following persons to the **Board of Electrical Contractors** for the term of January 1, 2009, through December 31, 2009:

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|--------------------|--------------------|
| 1. Dean Luthi      | A & D Electric     |
| 2. Darrell McCaleb | McCaleb Electric   |
| 3. Steve Matthews  | Matthew's Electric |

Commissioner Talley moved, seconded by Commissioner Heldstab to approve Dean Luthi, Darrell McCaleb and Steve Matthews to the Board of Electrical Contracts for the term of January 1, 2009 through December 31, 2009. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

## **SPECIAL PRESENTATIONS**

- a. Chief Bob Story presented a **Certificate of Appreciation** presentation to Honey Grant with City Cycle Sales for their donation of a 2009 Harley Davidson police motorcycle to the City of Junction City. The cost to the City is \$1 per year for two years, maintenance and fuel. The motorcycle will be utilized for traffic control/enforcement and in parades. Commissioner Talley inquired as to the number of police officers that can use the motorcycle. Chief Story stated that there are approximately ten officers at the present who have experience riding and operating this type of motorcycle. Commissioner Taylor stated that City Cycle Sales has done so much for our community and he appreciates having them in our community.

## **NEW BUSINESS**

- a. The consideration and approval of **Award of Bids** to the following for rehabilitation of homes in Junction City as part of the HOME Housing Rehabilitation Grant: **(Bid tabulations to be presented at pre-meeting.)** Grant Administrator, Sarah Talley, informed the Commission that these are the last two homes to rehabilitate under the HOME Grant. Ms. Talley stated that one of the requirements for this grant is that the contracts be certified to work with lead-based paint. Both contractors are certified. The City will make an application for HOME monies in June or July of 2010; the City will take over the full administration if awarded the grant. Commissioner Rhodes confirmed with Ms. Talley that no monies come from the City for this program.
  1. Craig Wolfe Painting for 1017 Ash Street, in the amount of \$19,163.00. Commissioner Heldstab moved, seconded by Commissioner Taylor to approve the award of bid to Craig Wolfe Painting for 1017 Ash Street in the amount of \$19,163.00. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.
  2. Ben Kitchens Painting for 1803 N. Madison, in the amount of \$29,980.00. Commissioner Talley moved, seconded by Commissioner Rhodes to approve the award of bid to Ben Kitchens Painting for 1803 N. Madison in the amount of \$29,980.00. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.
- b. The consideration and approval of **Amended Development Agreement** between the City of Junction City and Central National Bank (Rimrock Project). (EDC voted in favor of amended agreement 7 to 1.) City Manager, Rod Barnes, stated that this is the final action for the Central National Bank expansion project. The amended development agreement updates the amount from \$1.5 million dollars to \$2 million dollars. It also changes the date for the wage goals would begin in 2009 instead of 2007. The agreement also calls for a payment from the City in the amount of \$550,000 paid out over ten years at \$55,000 per year. Commissioner Rhodes moved, seconded by Commissioner Taylor to approve the Amended Development Agreement between the City of Junction City and Central National Bank (Rimrock Project). Ayes: Heldstab, Rhodes, Taylor, Wunder. Nays: None. Abstention: Talley. Motion carried four to zero with one abstention. Mr. Barnes stated that this agreement helped a local business expand and

he was pleased that Central National Bank chose to remain in Junction City and to expand their business.

- c. The consideration and approval of **R-2547** supporting the tax credit application to the Kansas Housing Resources Corporation (administers Federal Low Income Housing Tax Credits), by Dalmark Development Group, LLC, for the development of affordable rental housing community, to be known as Frontier Crossing Apartments, to be located approximately ½ mile west of Highway 77 on Rucker Road. City Manager, Rod Barnes, informed the Commission that the process for Dalmark Development Group, LLC to apply for the tax credit application is a competitive basis and part of the process is to acquire a support resolution from the governing body. There is no obligation on the City's behalf. Dalmark Development Group, LLC is not requesting any incentives or tax abatements. Mr. Jim Nichols with Dalmark (751 NE Anderson, Lee Summit, MO), informed the Commission that this program allows the developer to build more affordable housing. The rent range will be \$300 - \$860 per month depending on the size of the apartment. This range will allow soldiers with the rank of E-1 through E-4 to qualify for the housing. A bill has recently been passed that the Basic Housing Allowance for these ranks will not be counted in the income qualifications. There will be 72 units in the complex. The current house that is on the property will be converted into a clubhouse and the property will have a pool and fitness center. Ten of the units will be handicap accessible. The plan is to hire a manager, a maintenance person and a grounds person. Eventually, they plan to hire a part time leasing agent. The Dalmark staff will maintain the grounds including the playground. The project cost will be approximately \$8.5 million. Dalmark will build the streets and utility hook-ups. The water and sewer lines are already in place. No additional lift station would be required in this area; the lift station for Olivia Farms was designed for additional housing. Dalmark has the financing in place should they be approved. They have a USDA Ag loan and a construction loan. Mr. Nichols plans to invest \$200,000 to \$250,000 of his own money into the project. Mr. Nichols stated that he is currently operating Deer Trail to assist the owners and is taking over the Quinton area. Commissioner Talley stated that he is concerned with the large number of apartments. He doesn't feel there is a need in our community for more rental units. Mr. Nichols stated that a market study has been completed by Doug Kingsbury and the study found there is indeed a need for apartments in the community at this income level. The study also revealed a need for handicap accessible units. The market study must be submitted with the application to the State. Mr. Nichols stated that the market study must show there is a need for this type of housing; if not, the project will not be applicable for the program. Mr. Nichols stated that he has property in Topeka, Kansas City, and Overland Park, to name a few. Commissioner Taylor requested that Mr. Nichols supply the Commission with a list of properties he is involved with. The clubhouse will serve as a storm shelter for residents. Mr. Nichols stated that all of the files will remain on site due to the requirements of the program. The project will be reviewed on an annual basis by the State. The IRS mandates a recapture process if the provisions of the program are not met each year. Mr. Nichols stated that he will own the property for a minimum of 15 years. Commissioner Taylor asked the Police Chief how the Police Department plans to cover the additional growth of the community. Chief Story stated that to date, they have not had any issues with the additional growth and do not anticipate any problems with the addition of this area. Mr. Nichols stated that the rents are income-based and senior citizens could qualify for the housing as well. Seven units will not be included in the income-based program. These units will be rented at the market rate. Anyone can participate in this program as long as they submit the application to the State. The application is due February 6, 2009. The notice of award should be announced in May, 2009. Commissioner Talley stated that he feels this is a wonderful program; however, he would question the results of the market analysis for the need of more apartments. Commissioner Taylor stated that he was

impressed with the information Mr. Nichols presented and appreciates his presentation and hope Mr. Nichols is successful. Commissioner Heldstab moved, seconded by Commissioner Rhodes to approve R-2547 supporting the tax credit application to the Kansas Housing Resources Corporation by Dalmark Development Group, LLC, for the development of affordable rental housing community to be known as Frontier Crossing Apartments to be located approximately ½ mile west of Highway 77 on Rucker Road. Ayes: Heldstab, Rhodes, Taylor, Wunder. Nays: Talley. Motion carried four to one.

- d. The consideration and approval of **R-2546** authorizing the Mayor to sign all documents relating to the acceptance of lease purchase financing bids and loan closings for new Police vehicles and computer software from Systems Finance Corporation. (Financing for vehicles of \$219,375.84 at 3.82% for 4 years with total financing cost of \$29,830.90 and \$407,132.00 for computer software at 3.81% for 5 years with total financing cost of \$45,099.60) (Both lease purchases budgeted by Police Department in 2009 budget.) City Manager, Rod Barnes, stated that the Police Department has gotten five years out of the Tahoe's. The City received two bids for the financing of the police vehicles (First National Bank and Sunflower Bank). Sunflower Bank was the successful bidder. Commissioner Talley stated that we received a good rate considering the market. The financing includes the cost of licenses for the software and hardware. Commissioner Rhodes stated that he believes going to the Tahoe's has been a better deal than staying with the other type of vehicle. He is seeing more and more police departments switch to the Tahoe-type vehicle. Commissioner Taylor inquired if a bigger vehicle was needed for the equipment. Chief Story stated yes. Chief Story stated that the maintenance on the Tahoe's has not been too bad until the last year. The suspensions have held up very well. Mr. Don Hanes asked if the Tahoe's will be replaced with the same vehicle. Chief Story stated yes. Chief Story also verified that any equipment that can be kept and transferred to the new vehicles will be. Mr. Hanes asked why the software license was so expensive. Chief Story stated that the software was put through the bid process and includes more than just software for the Police Department; the Geary County Sheriff is included as well as the Dispatch center, Fire and Ambulance and Grandview Plaza. Commissioner Talley moved, seconded by Commissioner Rhodes to approve R-2546 authorizing the Mayor to sign all documents relating to the acceptance of lease purchase financing bids and loan closings for new Police vehicles and computer software from Systems Finance Corporation. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

## GENERAL DISCUSSION

*(The Commission requests that comments be limited to a maximum of five minutes for each person).*

**John Stewart, 1026 W. Spruce, Junction City, Kansas** asked about the status of road repairs. City Engineer, Christina Cook, stated she has submitted a list to KDOT through the Revolving Loan Fund and is now waiting to hear back from KDOT. Mr. Stewart also asked about the water tower. Ms. Cook stated that bids will be asked for in the spring to paint the outside of the water tower. The interior of the water tower was inspected last year. Mr. Stewart also inquired if the City will develop a policy about talking and texting on cell phones while driving like Fort Riley has their policy. Chief Story stated that there is currently not a State or City statute in place. City Attorney, Katie Logan, stated that the Commission could create an ordinance addressing this issue.

**Ron Hanes, 311 E. 10<sup>th</sup> Street, Junction City, Kansas** stated that the reason Fort Riley has the no cell phone while driving policy was because there was a fatality involving a driver striking and killing a person while they were texting. If you are caught using your cell phone on Fort Riley, you will be fined and lose your privilege to come onto Fort Riley. Mr. Hanes inquired about item 3j on the Consent Agenda and asked how thick of a layer of asphalt will be put down on the runway at Freeman Field. Ms. Cook stated that this project is currently in the design phase and they have not determined the thickness yet. Mr. Hanes stated that the Commission needs to ensure that the overlay is thick enough to last and it's not a quick fix. Ms. Cook stated that once the design is completed, she will bring the information back to the Commission. Commissioner Talley stated that the Commission works with the Airport Advisory Board on items such as this to ensure projects are done properly. Mr. Hanes also inquired about the status of the curb and street repairs in front of his business on East 10<sup>th</sup> Street. He had visited the Commission about this issue in the past. He stated that when it rains, the water still puddles up to four inches and then drains through the front of his property causing problems with his foundation. Mr. Hanes stated that Konza Construction did come out and inspect the problem and stated it was installed incorrectly. Mr. Hanes wants to know what the City is going to do to fix the problem. Ms. Cook stated that she had contacted Konza Construction and it was her understanding that Konza would fix the problem. Ms. Cook will contact Konza and inquire as to the status.

**Bruce Jasinski, 7218 Rockwood Drive, Milford, Kansas** stated his concerns regarding the Amarillo Bioscience Company. City Attorney, Katie Logan, stated that the due diligence timeframe will not begin until Amarillo Bioscience signed the development agreement and the contingencies have been met.

**Chris Jasinski, 7218 Rockwood Drive, Milford, Kansas** stated that she supports Commissioner Taylor that she heard Economic Development Director, Jeffrey Black, stated that the Amarillo Bioscience was a "done deal". City Manager, Rod Barnes, stated that the City was not going to provide \$4-5 million toward the company. The State of Kansas and the Kansas Bioscience Authority plans to provide that money, not the City. Ms. Jasinski stated that Junction City does not need to invest in a company with a deficit of more than \$30 million. Mr. Barnes and Ms. Logan stated that the development agreement does not commit any additional monies. Ms. Logan stated that the Commission may want to consider sending Amarillo Bioscience a notice that if they do not accept the development agreement within a certain timeframe, the Commission will withdraw the proposal. Mr. Barnes stated that Mr. Black has been tasked with the responsibility of due diligence and he is currently working on this issue and plans to bring his findings to the Commission. Mayor Wunder asked to have Mr. Black report his findings to the Economic Development Board and then bring the information to the Commission.

## **COMMISSIONER COMMENTS**

**Commissioner Taylor** confirmed Mrs. Jasinski's comments about Amarillo being a done deal. He read it in a newspaper. Commissioner Taylor asked for an update on the Riverwalk water level. Leon Osbourn with Kaw Valley Engineering stated that his staff has been monitoring the water level on a daily basis. They shot the elevation at the same time each morning. The water level has decreased to an eighth to a fourth of an inch per day. Commissioner Taylor asked for an update from the staff on what has been adopted from the recommendations of the Mayor's Task Force and what remains to be done.

**Commissioner Heldstab** publically thanked Dan Rathert for his fund raising efforts to raise enough money so that each of the Junction City High School football team could get champion rings. Commissioner Taylor stated that Ty Zimmerman and Justin Aumen have recently signed letters to continue to play football at the college level. Commissioners Taylor and Heldstab stated they were proud of these young men.

**Commissioner Talley** asked for an update from the EDC on the status of the Buxton report and how we are using it in recruiting retail.

**Commissioner Rhodes** asked for an update on the engineering projects. City Engineer, Christina Cook, informed the Commission of the following:

The project completion dates are dependant on good weather.

- K-18 and Karns - approx. May 2009
- Spring Valley Road - McFarland to Wildcat - approx. May 2009
- Spring Valley Road - Fox Sparrow Court to Sutter Woods Road - approx. Fall of 2009
- Chestnut Street - June 2009
- East Street and Chestnut Street Intersections - June 2009
- Rucker Road - June 2009

## **STAFF COMMENTS**

**City Manager, Rod Barnes**, informed the Commission of several up-coming events:

- City Commission Candidate briefing – February 11, 2009
- Mayor's State of the City Address – February 26, 2008 – Opera House @ 7 p.m. The City's fiscal advisors and Enbath will present information after the Mayor's address.
- Neighborhood Meetings – March 2009 (dates, times and locations to be announced)
- Citizens Institute – applications due February 20, 2009 and will begin March 1, 2009

## **EXECUTIVE SESSION**

Commissioner Talley moved, seconded by Commissioner Heldstab to adjourn into executive session at 8:19 p.m. to reconvene by 8:39 p.m. to discuss personnel matters of non-elected personnel. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried. Included in the Executive Session was the Commission.

Commissioner Rhodes moved, seconded by Commissioner Heldstab to reconvene into regular session at 8:39 p.m. having made no decisions nor taken any action while in executive session. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

Mayor Wunder moved, seconded by Commissioner Heldstab to adjourn into an additional executive session at 8:40 p.m. to reconvene by 8:55 p.m. to discuss personnel matters of non-elected personnel. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried. Included in the Executive Session were the Commission and the City Manager.

Commissioner Rhodes moved, seconded by Commissioner Heldstab to reconvene into regular session at 8:55 p.m. having made no decisions nor taken any action while in executive session. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.


Commissioner Heldstab moved, seconded by Commissioner to extend the City Manager's employment contract for two years with no pay increase. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

## ADJOURNMENT

Commissioner Rhodes moved, seconded by Commissioner Talley to adjourn at 8:57 p.m. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion Carried.

APPROVED AND ACCEPTED THIS 17<sup>th</sup> DAY OF FEBRUARY 2009 AS THE OFFICIAL COPY OF THE JUNCTION CITY CITY COMMISSION MINUTES FOR FEBRUARY 3, 2009.

  
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Tricia Gowen, City Clerk

  
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Mick Wunder, Mayor